

TABLE OF EXHIBITS

<u>Exhibit</u>	<u>Title</u>
66	AT&T Supplemental Response to Aureon Interrogatory No. 4
67	Lease Calculation Exhibit
68	Excerpts from NECA Tariff F.C.C. No. 5
69	Excel Spreadsheet Excerpts Supporting Lease Calculation Exhibit
70	Excel Spreadsheets Supporting Aureon Tariff Filings
71	Excerpts from Deposition of Jeff Schill
72	Fair Market Value Analysis (Bates Nos. Aureon_02746 – Aureon_02751)
73	Supplemental Declaration of Jeff Schill
74	Excerpt from the AT&T 2016 Annual Report
75	Supplemental Declaration of Frank Hilton
76	GAAP Accounting Standard Sec. 450-20-25-2

EXHIBIT 66

**AT&T SUPPLEMENTAL
RESPONSE TO AUREON
INTERROGATORY NO. 4**

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INS-ATT 4:

With regard to traffic that AT&T routed to Aureon's network that was transported to Subtending LECs assigned the following Operating Company Numbers ("OCNs"):

739D	Reasnor Telephone Company, LLC
156C	BTC, Inc. – IA
345D	Great Lakes Communication Corp. – IA
3620	Omnitel Communications, Inc. – IA
7094	Goldfield Access Network, L.C.
860E	Interstate Cablevision – IA
904D	Premier Communications, Inc. – IA
4650	Louisa Communications, L.C.

(1) Identify separately for each of these eight Subtending LECs the per minute rate and the monthly dollar amount that AT&T paid Aureon for the CEA service that routed traffic to the facilities of those Subtending LECs between August 1, 2013 through the present; and (2) produce all analysis, emails, communications, and other documents Relating to the rate and dollar amounts that AT&T paid Aureon for the CEA service that routed traffic to the facilities of those eight Subtending LECs.

OBJECTION: In addition to its General Objections, AT&T objects to this Interrogatory as overbroad and unduly burdensome. The information sought by this Interrogatory regarding the traffic routed over the INS network to the identified OCNs is within INS's possession and INS thus is fully capable of generating the requested information on its own. INS clearly knows the rates at which it billed service to AT&T, it knows what AT&T has paid and not paid and it knows or should know the levels of traffic routed to each of these OCNs. Further, the basis upon which AT&T withheld payment with respect to traffic routed to these OCNs was fully discussed and explained by Mr. Habiak in his initial declaration. *See* Habiak Decl. ¶¶ 43–53. AT&T further notes that it takes issue with most of the claims articulated in INS's explanation. As AT&T discusses in detail in its reply submission, INS does not have a *de jure* monopoly over the transport of long distance traffic in Iowa. *See* AT&T Reply Legal Analysis at 2. Further, INS's reliance on Commission decisions that are nearly 30 years old and were issued before the Telecommunications Act of 1996 and the development of access stimulation is misplaced. *See id.* Part I. Further, AT&T is under no obligation to calculate the levels of any withholding or

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payment under Section 61.38, as INS apparently contends. Subject to the foregoing objections, AT&T will produce, to the extent it has not already done so, the work papers supporting Mr. Habiak's calculations. In addition, it will conduct a reasonable search of its files and produce, to the extent that it has already not done so, any non-privileged analysis, emails, communications, and other documents relating to "the rate and dollar amounts that AT&T paid to" INS for the traffic routed to the identified OCNs.

SUPPLEMENTAL RESPONSE TO INS-ATT 4:

Consistent with AT&T's objections, and pursuant to the Commission's Letter Ruling of July 25, 2017, AT&T states the following regarding its payment of INS's billed charges on minutes of use bound for CLECs engaged in access stimulation. As described in AT&T's Formal Complaint and in the Declaration of John W. Habiak, once AT&T determined that a CLEC was engaged in access stimulation and decided to withhold payment, it has withheld payments to INS on all minutes directed to those CLECs.

AT&T began withholding payment from INS on all minutes delivered to Great Lakes in September 2013, and has continued to withhold payment on all such minutes billed from that time until the present. In April 2016, AT&T began withholding payment from INS on all minutes delivered to BTC and Omnitel, and has continued to withhold payment on all such minutes billed from that time until the present. In June 2016, AT&T began withholding payment from INS on all minutes delivered to Premier, Louisa, Goldfield and Interstate, and has continued to withhold payment on all such minutes billed from that time until the present.

AT&T further notes that it has already produced documents responsive to this request.

EXHIBIT 67

LEASE CALCULATION EXHIBIT

**HIGHLY CONFIDENTIAL MATERIALS
OMITTED**

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EXHIBIT 68

EXCERPTS FROM NECA TARIFF F.C.C. NO. 5

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ACCESS SERVICE

17. Rates and Charges (Cont'd)17.3 Special Access Service (Cont'd)17.3.8 High Capacity Service (Cont'd)(B) Channel Mileage (Cont'd)

(2) Channel Mileage Termination, Per Termination

Rate Band	Monthly Rate		
	64 kbps*	1.544 Mbps	3.152 Mbps
1	\$4.36 (R)	\$6.68 (R)	ICB
2	\$4.75 (R)	\$7.28 (R)	ICB
3	\$5.18 (R)	\$7.94 (R)	ICB
4	\$5.65 (R)	\$8.65 (R)	ICB
5	\$8.99 (R)	\$13.78 (R)	ICB
6	\$13.36 (R)	\$20.49 (R)	ICB
7	\$17.91 (I)	\$27.45 (I)	ICB
8	\$19.52 (I)	\$29.92 (I)	ICB
9	\$21.28 (I)	\$32.61 (I)	ICB
10	\$23.19 (I)	\$35.55 (I)	ICB
11	\$25.28 (I)	\$38.75 (I)	ICB
12	\$27.55 (I)	\$42.24 (I)	ICB
13	\$30.03 (I)	\$46.04 (I)	ICB
14	\$32.74 (I)	\$50.18 (I)	ICB
15	\$35.68 (I)	\$54.70 (I)	ICB
16	\$38.90 (I)	\$59.62 (I)	ICB
17	\$42.40 (I)	\$64.99 (I)	ICB
18	\$46.21 (I)	\$70.83 (I)	ICB
19	\$50.37 (I)	\$77.21 (I)	ICB
20	\$54.90 (I)	\$84.16 (I)	ICB
21	\$59.85 (I)	\$91.73 (I)	ICB
22	\$65.23 (I)	\$99.99 (I)	ICB
23	\$71.10 (I)	\$108.99 (I)	ICB
24	\$75.55 (I)	\$115.80 (I)	ICB
25	\$82.35 (I)	\$126.23 (I)	ICB
26	\$85.90 (I)	\$131.66 (I)	ICB
27	\$93.63 (I)	\$143.51 (I)	ICB
28	\$102.05 (I)	\$156.43 (I)	ICB
29	\$111.24 (I)	\$170.50 (I)	ICB
30	\$121.25 (I)	\$185.85 (I)	ICB
31	\$132.16 (I)	\$202.58 (I)	ICB
32	\$144.06 (I)	\$220.81 (I)	ICB
33	\$157.02 (I)	\$240.68 (I)	ICB
34	\$171.15 (I)	\$262.34 (I)	ICB
35	\$186.56 (I)	\$285.95 (I)	ICB
36	\$203.35 (I)	\$311.69 (I)	ICB
37	\$221.65 (I)	\$339.74 (I)	ICB
38	\$241.60 (I)	\$370.32 (I)	ICB
39	\$263.34 (I)	\$403.65 (I)	ICB
40	\$287.04 (I)	\$439.98 (I)	ICB
41	\$312.87 (I)	\$479.57 (I)	ICB
42	\$341.03 (I)	\$522.73 (I)	ICB
43	\$371.73 (I)	\$569.78 (I)	ICB
44	\$405.18 (I)	\$621.06 (I)	ICB
45	\$441.65 (I)	\$676.96 (I)	ICB
46	\$481.40 (I)	\$737.88 (I)	ICB
47	\$524.72 (I)	\$804.29 (I)	ICB
48	\$571.95 (I)	\$876.68 (I)	ICB
49	\$1,242.21 (I)	\$1,904.05 (I)	ICB
50	\$1,354.01 (I)	\$2,075.42 (I)	ICB

Refer to the Special Access (SPA) column in the Rate Band Table in Section 17.5.1, following, to view company specific rate band assignments.

ICB rates and charges are filed in Section 17.3.9, following.

* Applies to through connections of 2.4, 4.8, 9.6, 56.0 and 64 kbps.

Transmittal No. 1519

Issued: June 16, 2017

Effective: July 1, 2017

Director - Access Tariffs
80 So. Jefferson Road, Whippany, NJ 07981

ACCESS SERVICE

17. Rates and Charges (Cont'd)

17.3 Special Access Service (Cont'd)

17.3.8 High Capacity Service (Cont'd)

(A) Channel Termination, Per Termination (Cont'd)

DS4 274.176 Mbps

Monthly Rate

Nonrecurring Charge

ICB

ICB

(B) Channel Mileage

(1) Channel Mileage Facility, Per Mile

Rate Band	Monthly Rate		
	64 kbps*	1.544 Mbps	3.152 Mbps
1	\$0.43 (R)	\$1.29 (R)	ICB
2	\$0.47 (R)	\$1.40 (R)	ICB
3	\$0.52 (R)	\$1.53 (R)	ICB
4	\$0.56 (R)	\$1.67 (R)	ICB
5	\$0.90 (R)	\$2.66 (R)	ICB
6	\$1.33 (R)	\$3.95 (R)	ICB
7	\$1.78 (I)	\$5.29 (I)	ICB
8	\$1.95 (I)	\$5.77 (I)	ICB
9	\$2.12 (I)	\$6.29 (I)	ICB
10	\$2.31 (I)	\$6.85 (I)	ICB
11	\$2.52 (I)	\$7.47 (I)	ICB
12	\$2.75 (I)	\$8.14 (I)	ICB
13	\$2.99 (I)	\$8.88 (I)	ICB
14	\$3.26 (I)	\$9.68 (I)	ICB
15	\$3.56 (I)	\$10.55 (I)	ICB
16	\$3.88 (I)	\$11.50 (I)	ICB
17	\$4.23 (I)	\$12.53 (I)	ICB
18	\$4.61 (I)	\$13.66 (I)	ICB
19	\$5.02 (I)	\$14.89 (I)	ICB
20	\$5.47 (I)	\$16.23 (I)	ICB
21	\$5.96 (I)	\$17.69 (I)	ICB
22	\$6.50 (I)	\$19.28 (I)	ICB
23	\$7.09 (I)	\$21.01 (I)	ICB
24	\$7.53 (I)	\$22.33 (I)	ICB
25	\$8.21 (I)	\$24.34 (I)	ICB
26	\$8.56 (I)	\$25.39 (I)	ICB
27	\$9.33 (I)	\$27.67 (I)	ICB
28	\$10.17 (I)	\$30.16 (I)	ICB
29	\$11.09 (I)	\$32.88 (I)	ICB
30	\$12.08 (I)	\$35.83 (I)	ICB
31	\$13.17 (I)	\$39.06 (I)	ICB
32	\$14.36 (I)	\$42.57 (I)	ICB
33	\$15.65 (I)	\$46.41 (I)	ICB
34	\$17.06 (I)	\$50.58 (I)	ICB
35	\$18.59 (I)	\$55.14 (I)	ICB
36	\$20.27 (I)	\$60.10 (I)	ICB
37	\$22.09 (I)	\$65.51 (I)	ICB
38	\$24.08 (I)	\$71.40 (I)	ICB
39	\$26.25 (I)	\$77.83 (I)	ICB
40	\$28.61 (I)	\$84.83 (I)	ICB
41	\$31.18 (I)	\$92.47 (I)	ICB
42	\$33.99 (I)	\$100.79 (I)	ICB
43	\$37.05 (I)	\$109.86 (I)	ICB
44	\$40.38 (I)	\$119.75 (I)	ICB
45	\$44.02 (I)	\$130.53 (I)	ICB
46	\$47.98 (I)	\$142.27 (I)	ICB
47	\$52.30 (I)	\$155.08 (I)	ICB
48	\$57.00 (I)	\$169.03 (I)	ICB
49	\$123.81 (I)	\$367.12 (I)	ICB
50	\$134.95 (I)	\$400.17 (I)	ICB

Refer to the Special Access (SPA) column in the Rate Band Table in Section 17.5.1, following, to view company specific rate band assignments.

ICB Rates and Charges are filed in Section 17.3.9, following.

* Applies to through connections of 2.4, 4.8, 9.6, 56.0 and 64 kbps.

Transmittal No. 1519

Issued: June 16, 2017

Effective: July 1, 2017

Director - Access Tariffs
80 So. Jefferson Road, Whippany, NJ 07981

EXHIBIT 69

EXCEL SPREADSHEET EXCERPTS SUPPORTING LEASE CALCULATION EXHIBIT

**HIGHLY CONFIDENTIAL MATERIALS
OMITTED**

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EXHIBIT 70

EXCEL SPREADSHEETS SUPPORTING AUREON TARIFF FILINGS

**HIGHLY CONFIDENTIAL MATERIALS
OMITTED**

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EXHIBIT 71

EXCERPTS FROM DEPOSITION OF JEFF SCHILL

**HIGHLY CONFIDENTIAL MATERIALS
OMITTED**

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EXHIBIT 72

FAIR MARKET VALUE ANALYSIS

**(BATES NOS. AUREON_02746 –
AUREON_02751)**

**HIGHLY CONFIDENTIAL MATERIALS
OMITTED**

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EXHIBIT 73

SUPPLEMENTAL DECLARATION OF JEFF SCHILL

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**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
)	
AT&T CORP.,)	
)	Docket No. 17-56
Complainant)	
)	Bureau ID No. EB-17-MD-001
vs.)	
)	
IOWA NETWORK SERVICES, INC., d/b/a)	
AUREON NETWORK SERVICES)	
)	
Respondent.)	
)	

SUPPLEMENTAL DECLARATION OF JEFF SCHILL

I, JEFF SCHILL, hereby declare as follows:

1. I am the Senior Vice President of Corporate Finance for Iowa Network Services, Inc. d/b/a Aureon Network Services (“Aureon”), and have been in this role since July 2016. Prior to that I was the Vice President – Finance, a position I assumed upon the retirement of the Chief Financial Officer in July 2014. Prior to that time period I have held various financial roles during my eleven year tenure at Aureon and am a certified public accountant (“CPA”) in the State of Iowa. I make this supplemental declaration in support of Aureon’s Initial Brief filed in the above-captioned proceeding regarding AT&T Corp.’s (“AT&T”) Complaint against Aureon. As a CPA, I am familiar with accounting requirements under Generally Accepted Accounting Procedures (“GAAP”). The information provided herein is based on my personal knowledge, knowledge and experience as a CPA, and review of accounting standards under GAAP.

2. During discovery, Aureon produced cost support information showing how uncollectible amounts were accounted for in Aureon’s tariff filings. There are two ways to record

uncollectible amounts (i.e., bad debts). The first method is referred to as the “Direct Write-off” method, and the second is referred to as the Allowance for Uncollectible Accounts (“Allowance”) method. Aureon applied the Allowance method to calculate its CEA revenue requirement.

3. The Direct Write-off method recognizes bad debt expense when the account receivable is deemed to be uncollectible and written off the books. No allowance for estimates of bad debts is provided for under this method. Under the direct write-off method, there is a potential for overstating income in the year of sale and understating income in a subsequent year when previously recorded receivables are deemed uncollectible.

4. Under the second method for recording uncollectible amounts, GAAP requires the use of an allowance, or “loss contingency,” for reporting potential bad debts at the time of sale. GAAP Accounting Standard Section 450-20-25-2, attached as Exhibit 76 to Aureon’s Initial Brief, sets forth the standards for implementing the Allowance method under GAAP. Under the Allowance method, an estimate of uncollectible accounts or bad debts is reported during the financial period being presented in order to match the timing for the recording of receivables (revenues) and potential uncollectibles (expense). The impact on income is immediate, which prevents the overstatement of income in one period, and the understatement of income (recognition of bad debt expense) in a subsequent period. Expenses are recognized upon the assumption of an uncollectible receivable account (bad debt) even though the receivable may not be written off until a future period. During this period of uncertainty, a business or company is provided an opportunity to collect the account that was previously assumed to be uncollectible through various collection mechanisms, such as through a collection agency or by filing an action in court.

5. I verify and confirm that Exhibit 68 attached to Aureon’s Initial Brief are true and correct copies of excerpts from NECA Tariff F.C.C. No. 5.

PUBLIC VERSION

5. I verify and confirm that Exhibit 68 attached to Aureon's Initial Brief are true and correct copies of excerpts from NECA Tariff F.C.C. No. 5.

6. I verify and confirm that Exhibit 69 attached to Aureon's Initial Brief are true and correct copies of the Excel spreadsheet excerpts discussed in the Lease Calculation Exhibit (Exhibit 67).

7. I verify and confirm that Exhibit 70 attached to Aureon's Initial Brief are true and correct copies of the hard copies produced to AT&T of the Excel spreadsheets supporting Aureon's tariff filings.

8. I verify and confirm that Exhibit 71 attached to Aureon's Initial Brief are true and correct copies of excerpts from the transcript of my deposition held on August 14, 2017.

9. I verify and confirm that Exhibit 72 attached to Aureon's Initial Brief is a true and correct copy of the fair market value analysis conducted by Aureon's outside accountants.

10. I verify and confirm that Exhibit 74 attached to Aureon's Initial Brief are true and correct copies of excerpts from AT&T's 2016 Annual Report.

11. I verify and confirm that Exhibit 76 attached to Aureon's Initial Brief is a true and correct copy of GAAP Accounting Standard Section 450-20-25-2.

I certify under penalty of perjury that the foregoing is true and correct.

Executed on August 18, 2017.


Jeff Schill

EXHIBIT 74

EXCERPT FROM THE AT&T 2016 ANNUAL REPORT

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AT&T INC. FINANCIAL REVIEW 2016



Selected Financial and Operating Data	10
Management's Discussion and Analysis of Financial Condition and Results of Operations	11
Consolidated Financial Statements	45
Notes to Consolidated Financial Statements	50
Report of Management	84
Report of Independent Registered Public Accounting Firm	85
Board of Directors	87
Executive Officers	88

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation Throughout this document, AT&T Inc. is referred to as “AT&T,” “we” or the “Company.” The consolidated financial statements include the accounts of the Company and our majority-owned subsidiaries and affiliates, including the results of DIRECTV and wireless properties in Mexico for the period from acquisition to the reporting date. Our subsidiaries and affiliates operate in the communications and digital entertainment services industry, providing services and equipment that deliver voice, video and broadband services domestically and internationally.

All significant intercompany transactions are eliminated in the consolidation process. Investments in less than majority-owned subsidiaries and partnerships where we have significant influence are accounted for under the equity method. Earnings from certain investments accounted for using the equity method are included for periods ended within up to one quarter of our period end. We also record our proportionate share of our equity method investees’ other comprehensive income (OCI) items, including actuarial gains and losses on pension and other postretirement benefit obligations and cumulative translation adjustments.

The preparation of financial statements in conformity with U.S. generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes, including estimates of probable losses and expenses. Actual results could differ from those estimates. Certain prior period amounts have been conformed to the current period’s presentation.

Network Asset Lives and Salvage Values During the fourth quarter of 2016, we aligned the estimated useful lives and salvage values for certain network assets that are impacted by our IP strategy with our updated business cases and engineering studies. This change in accounting estimate decreased depreciation expense and impacted net income \$286, or \$0.05 per diluted share, for 2016.

Customer Fulfillment Costs During the second quarter of 2016, we updated our analysis of the economic lives of customer relationships, which included a review of satellite customer data following the DIRECTV acquisition. As of April 1, 2016, we extended the amortization period to better reflect the estimated economic lives of satellite and certain business customer relationships. This change in accounting estimate decreased other cost of services and impacted net income \$236, or \$0.04 per diluted share, for 2016.

Income Taxes We provide deferred income taxes for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the computed tax basis of those assets and liabilities. We provide valuation allowances against the deferred tax assets (included, together with our deferred income tax assets, as part of our reportable net deferred income tax liabilities on our consolidated balance sheets), for which the

realization is uncertain. We review these items regularly in light of changes in federal and state tax laws and changes in our business.

Cash and Cash Equivalents Cash and cash equivalents include all highly liquid investments with original maturities of three months or less. The carrying amounts approximate fair value. At December 31, 2016, we held \$1,803 in cash and \$3,985 in money market funds and other cash equivalents. Of our total cash and cash equivalents, \$776 resided in foreign jurisdictions, some of which is subject to restrictions on repatriation.

Revenue Recognition Revenues derived from wireless, fixed telephone, data and video services are recognized when services are provided. This is based upon either usage (e.g., minutes of traffic/bytes of data processed), period of time (e.g., monthly service fees) or other established fee schedules. Our service revenues are billed either in advance, arrears or are prepaid.

We record revenue reductions for estimated future adjustments to customer accounts at the time revenue is recognized based on historical experience. We report revenues from transactions between us and our customers net of taxes. Cash incentives given to customers are recorded as a reduction of revenue. Revenues related to nonrefundable, upfront service activation and setup fees are deferred and recognized over the associated service contract period or customer life. Revenue recognized from contracts that bundle services and equipment is limited to the lesser of the amount allocated based on the relative selling price of the equipment and service already delivered or the amount paid and owed by the customer for the equipment and service already delivered. Service revenues also include billings to our customers for various regulatory fees imposed on us by governmental authorities. We record the sale of equipment to customers when we no longer have any requirements to perform, title has passed, and the products are accepted by customers. We record the sale of equipment and services to customers as gross revenue when we are the principal in the arrangement and net of the associated costs incurred when we are not considered the principal.

We offer to our customers the option to purchase certain wireless devices in installments over a period of up to 30 months, and, in many cases, they have the right to trade in the original equipment within a set period and have the remaining unpaid balance satisfied upon the purchase of a new device under a new installment plan. For customers that elect these equipment installment payment programs, we recognize revenue for the entire amount of the customer receivable, net of fair value of the trade-in right guarantee and imputed interest.

Allowance for Doubtful Accounts We record expense to maintain an allowance for doubtful accounts for estimated losses that result from the failure or inability of our customers to make required payments deemed collectable

Our Entertainment Group and Business Solutions segments generally remain subject to regulation for certain legacy wireline wholesale services by state regulatory commissions for intrastate services and by the FCC for interstate services. Under the Telecom Act, companies seeking to interconnect to our wireline subsidiaries' networks and exchange local calls enter into interconnection agreements with us. Many unresolved issues in negotiating those agreements are subject to arbitration before the appropriate state commission. These agreements (whether fully agreed-upon or arbitrated) are often then subject to review and approval by the appropriate state commission.

Our Entertainment Group and Business Solutions segments operate portions of their business under state-specific forms of regulation for retail services that were either legislatively enacted or authorized by the appropriate state regulatory commission. Some states regulate prices of retail services, while others adopt a regulatory framework that incorporates deregulation and price restrictions on a subset of our services. Some states may impose minimum customer service standards with required payments if we fail to meet the standards.

We continue to lose legacy voice and data subscribers due to competitors (e.g., wireless, cable and VoIP providers) who can provide comparable services at lower prices because they are not subject to traditional telephone industry regulation (or the extent of regulation is in dispute), utilize different technologies, or promote a different business model (such as advertising based). In response to these competitive pressures, for a number of years we have used a bundling strategy that rewards customers who consolidate their services (e.g., telephone, high-speed internet, wireless and video) with us. We continue to focus on bundling services, including combined packages of wireless data and voice and video service through our satellite and IP-based services. We will continue to develop innovative and integrated services that capitalize on our wireless and IP-based network and satellites.

Additionally, we provide local and interstate telephone and switched services to other service providers, primarily large Internet Service Providers using the largest class of nationwide internet networks (internet backbone), wireless carriers, other telephone companies, cable companies and systems integrators. These services are subject to additional competitive pressures from the development of new technologies, the introduction of innovative offerings and increasing satellite, wireless, fiber-optic and cable transmission capacity for services. We face a number of international competitors, including Orange Business Services, BT, Singapore Telecommunications Limited and Verizon Communications Inc., as well as competition from a number of large systems integrators.

ACCOUNTING POLICIES AND STANDARDS

Critical Accounting Policies and Estimates Because of the size of the financial statement line items they relate to or the extent of judgment required by our management, some of our accounting policies and estimates have a more significant impact on our consolidated financial statements than others. The following policies are presented in the order in which the topics appear in our consolidated statements of income.

Allowance for Doubtful Accounts We record expense to maintain an allowance for doubtful accounts for estimated losses that result from the failure or inability of our customers to make required payments. When determining the allowance, we consider the probability of recoverability based on past experience, taking into account current collection trends as well as general economic factors, including bankruptcy rates. Credit risks are assessed based on historical write-offs, net of recoveries, as well as an analysis of the aged accounts and installment receivable balances with reserves generally increasing as the receivable ages. Accounts receivable may be fully reserved for when specific collection issues are known to exist, such as pending bankruptcy or catastrophes. The analysis of receivables is performed monthly, and the allowances for doubtful accounts are adjusted through expense accordingly. A 10% change in the amounts estimated to be uncollectible would result in a change in the provision for uncollectible accounts of approximately \$147.

Pension and Postretirement Benefits Our actuarial estimates of retiree benefit expense and the associated significant weighted-average assumptions are discussed in Note 12. Our assumed weighted-average discount rate for pension and postretirement benefits of 4.40% and 4.30%, respectively, at December 31, 2016, reflects the hypothetical rate at which the projected benefit obligations could be effectively settled or paid out to participants. We determined our discount rate based on a range of factors, including a yield curve composed of the rates of return on several hundred high-quality, fixed income corporate bonds available at the measurement date and corresponding to the related expected durations of future cash outflows for the obligations. These bonds were all rated at least Aa3 or AA- by one of the nationally recognized statistical rating organizations, denominated in U.S. dollars, and neither callable, convertible nor index linked. For the year ended December 31, 2016, when compared to the year ended December 31, 2015, we decreased our pension discount rate by 0.20%, resulting in an increase in our pension plan benefit obligation of \$2,189 and decreased our postretirement discount rate by 0.20%, resulting in an increase in our postretirement benefit obligation of \$906. For the year ended December 31, 2015, we increased our pension discount rate by 0.30%, resulting in a decrease

EXHIBIT 75

DECLARATION OF FRANK HILTON

**HIGHLY CONFIDENTIAL
MATERIALS OMITTED**

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**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
)	
AT&T CORP.,)	
)	Docket No. 17-56
Complainant)	
)	Bureau ID No. EB-17-MD-001
vs.)	
)	
IOWA NETWORK SERVICES, INC., d/b/a)	
AUREON NETWORK SERVICES)	
)	
Respondent.)	
)	

SUPPLEMENTAL DECLARATION OF FRANK HILTON

I, FRANK HILTON, hereby declare as follows:

1. I am the Vice President of Business Consulting for Iowa Network Services, Inc. d/b/a Aureon Network Services (“Aureon”). I make this supplemental declaration in support of Aureon’s Initial Brief filed in the above-captioned proceeding regarding AT&T Corp.’s (“AT&T”) Complaint against Aureon. I have more than forty years’ experience in the IT and telecommunications industries, and have worked for Aureon for approximately twenty years. My responsibilities at Aureon include overseeing Aureon’s systems related to collecting network usage data, ensuring that information collected by the network regarding traffic routed over Aureon’s network is coordinated with the preparation and issuance of invoices to carriers that use Aureon’s centralized equal access (“CEA”) service provided through Aureon’s network, and maintaining call detail records and related information that may be needed for disputes from other carriers regarding bills issued by Aureon for CEA service. The information provided herein is based on my personal

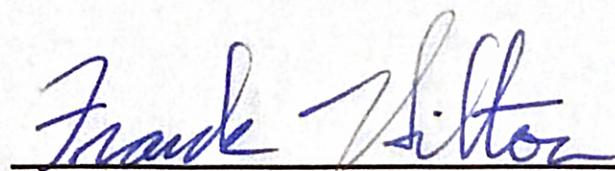
knowledge, and my review of documents and records kept by Aureon in the regular course of business.

2. In its response to Aureon Interrogatory No. 4, AT&T states that it has withheld all payments for traffic to the seven local exchange carriers identified by AT&T (the "Seven LECs"), which includes traffic that does not involve conference calls. I worked with Pat Vaughan, Aureon's Manager of Engineering, and other Aureon personnel to determine how much originating traffic was sent to AT&T by the Seven LECs. Those calls do not involve conferencing traffic because they are long distance calls placed by AT&T's customers located in the exchanges of the Seven LECs.

3. Under my direction, Aureon personnel analyzed the Carrier Access Billing System ("CABS") records to determine the amount of originating traffic sent over Aureon's CEA network to AT&T from the Seven LECs. That information is set forth in the spreadsheet attached as Attachment A to my declaration, and I have confirmed that the spreadsheet shows all originating minutes of use from January 2013 through July 2017 originated from the local exchanges of the Seven LECs that were billed to AT&T by Aureon.

I certify under penalty of perjury that the foregoing is true and correct.

Executed on August 18, 2017.


Frank Hilton

PUBLIC VERSION

ATTACHMENT A

THIS EXHIBIT CONTAINS HIGHLY CONFIDENTIAL INFORMATION

DO NOT RELEASE TO PUBLIC

EXHIBIT 76

GAAP ACCOUNTING STANDARDS SEC. 450-20-25-2

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PUBLIC VERSION

Checkpoint Contents

Accounting, Audit & Corporate Finance Library

Standards and Regulations

FASB Codification

Codification

Liabilities

450 Contingencies

450-20 Loss Contingencies

450-20-25 Recognition

Copyright © 2017 by Financial Accounting Foundation, Norwalk, Connecticut**450-20-25 Recognition**[Click here to link to 450-20-S25.](#)

General Note: The Recognition Section provides guidance on the required criteria, timing, and location (within the financial statements) for recording a particular item in the financial statements. Disclosure is not recognition.

General**> General Rule**

25-1 When a **loss contingency** exists, the likelihood that the future event or events will confirm the loss or impairment of an asset or the incurrence of a liability can range from **probable** to **remote**. As indicated in the definition of **contingency**, the term *loss* is used for convenience to include many charges against income that are commonly referred to as expenses and others that are commonly referred to as losses. The Contingencies Topic uses the terms *probable*, **reasonably possible**, and *remote* to identify three areas within that range.

25-2 An estimated loss from a loss contingency shall be accrued by a charge to income if both of the following conditions are met:

PUBLIC VERSION

- a. Information available before the financial statements are issued or are available to be issued (as discussed in Section 855-10-25) indicates that it is probable that an asset had been impaired or a liability had been incurred at the date of the financial statements. Date of the financial statements means the end of the most recent accounting period for which financial statements are being presented. It is implicit in this condition that it must be probable that one or more future events will occur confirming the fact of the loss.
- b. The amount of loss can be reasonably estimated.

The purpose of those conditions is to require accrual of losses when they are reasonably estimable and relate to the current or a prior period. Paragraphs 450-20-55-1 through 55-17 and Examples 1–2 (see paragraphs 450-20-55-18 through 55-35) illustrate the application of the conditions. As discussed in paragraph 450-20-50-5, disclosure is preferable to accrual when a reasonable estimate of loss cannot be made. Further, even losses that are reasonably estimable shall not be accrued if it is not probable that an asset has been impaired or a liability has been incurred at the date of an entity's financial statements because those losses relate to a future period rather than the current or a prior period. Attribution of a loss to events or activities of the current or prior periods is an element of asset impairment or liability incurrence.

> Assessing Probability of Incurrence of a Loss

25-3 The conditions in the preceding paragraph are not intended to be so rigid that they require virtual certainty before a loss is accrued. Instead, the condition in (a) in the preceding paragraph is intended to proscribe accrual of losses that relate to future periods.

> Assessing Whether a Loss Is Reasonably Estimable

25-4 The condition in paragraph 450-20-25-2(b) is intended to prevent accrual in the financial statements of amounts so uncertain as to impair the integrity of those statements.

25-5 That requirement shall not delay accrual of a loss until only a single amount can be reasonably estimated. To the contrary, when the condition in paragraph 450-20-25-2(a) is met and information available indicates that the estimated amount of loss is within a range of amounts, it follows that some amount of loss has occurred and can be reasonably estimated. Thus, when the condition in paragraph 450-20-25-2(a) is met with respect to a particular loss contingency and the reasonable estimate of the loss is a range, the condition in paragraph 450-20-25-2(b) is met and an amount shall be accrued for the loss.

PUBLIC VERSION**> Events After the Date of the Financial Statements**

25-6 After the date of an entity's financial statements but before those financial statements are issued or are available to be issued (as discussed in Section 855-10-25), information may become available indicating that an asset was impaired or a liability was incurred after the date of the financial statements or that there is at least a reasonable possibility that an asset was impaired or a liability was incurred after that date. The information may relate to a loss contingency that existed at the date of the financial statements, for example, an asset that was not insured at the date of the financial statements. On the other hand, the information may relate to a loss contingency that did not exist at the date of the financial statements, for example, threat of expropriation of assets after the date of the financial statements or the filing for bankruptcy by an entity whose debt was guaranteed after the date of the financial statements. In none of the cases cited in this paragraph was an asset impaired or a liability incurred at the date of the financial statements, and the condition for accrual in paragraph 450-20-25-2(a) is, therefore, not met.

25-7 If a loss cannot be accrued in the period when it is probable that an asset had been impaired or a liability had been incurred because the amount of loss cannot be reasonably estimated, the loss shall be charged to the income of the period in which the loss can be reasonably estimated and shall not be charged retroactively to an earlier period. All estimated losses for loss contingencies shall be charged to income rather than charging some to income and others to retained earnings as prior period adjustments.

> Business Risks

25-8 General or unspecified business risks do not meet the conditions for accrual in paragraph 450-20-25-2, and no accrual for loss shall be made.

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